

# Agenda

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## City Council Extended Study Session

MONDAY  
September 8, 2003

6:00 – 10:00 p.m.  
Council Conference Room/Council Chambers

Page

1. Executive Session
  - (a) Potential litigation

2. Communications: Written and Oral

*Note: Three-minute limit per person, or five minutes if representing the official position of a recognized organization. A maximum of three persons is permitted to speak to each side of any one topic.*

3. Study Session

***To be held  
in Council  
Conference  
Room***

***Depending on time required for Executive Session, some shorter discussion topics may be moved earlier in the agenda***

- (a) Council new initiatives (*no packet materials*)
- (b) Second of two Public Hearings on preannexation zoning and Development Agreement for Tax Lots

***To be held      3-1  
in Council  
Chambers  
at  
7:00 PM***

**City Council meetings are wheelchair accessible. American Sign language (ASL) interpretation is available upon request. Please phone 452-6805 at least 48 hours in advance.**



**City of Bellevue**

(1) Staff report

PCD  
Kate Berens

(2) Motion to open Public Hearing and public testimony

(3) Motion to close Public Hearing

*(Council action on the pre-annexation zoning ordinance and Development Agreement is scheduled for September 15, 2003. Council action on Notice of Intent is also anticipated September 15.)*

(c) [Downtown Bellevue: Consideration of a Ride Free Transit Area](#)

TRAN 3-51  
Kris Liljeblad

*(For information & discussion. Staff seeks Council direction on how to proceed at this time.)*

(d) Report on the operations and financial performance of Meydenbauer Convention Center

PCD 3-59  
Matt Terry

*(For information & discussion)*

(e) [Development Service Improvement \(DSI\) final financial policies](#)

CMO/PCD 3-91  
Jocelyn  
Mathiasen/  
Mike Brennan

(1) Motion to direct staff to adopt revised fee policies and reserve strategy and prepare a fee ordinance based on the revised policies for implementation January 1, 2004

(2) Motion to direct staff to develop a Development Service Fund policy to address the accumulation, use, governance, and oversight of expanded reserves

*(Discussion continued from September 2, 2003)*

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**City of Bellevue**

- (f) [Puget Sound Energy \(PSE\) gas franchise](#)

TRAN  
David Kerr

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*(Staff requests direction on PSE's request to extend the current franchise through November 3, 2003, while negotiations continue on remaining insurance issues.)*

- (g) Ordinance No. 5465 authorizing the revision of the City's Debt

FIN  
Jan Hawn

3-101

*(Council action is requested this evening.)*

4. Discussion of upcoming items

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**City of Bellevue**

**CITY COUNCIL STUDY SESSION ITEM****SUBJECT:**

Downtown Bellevue: Consideration of a Ride Free Transit Area

**STAFF CONTACT:**

Goran Sparrman 452-4338; Kris Liljeblad 452- 2866; Bernard van de Kamp 452-6459

**FISCAL IMPACT:**

King County Metro's *Analysis of Potential Ride Free Areas* (July, 2003) report concludes that a downtown Bellevue Ride Free Area (RFA) would cost from \$53,000-\$70,500 annually (with expansion to include the Overlake Hospital area). It is unclear at this time what share of this expense the City of Bellevue would be requested to provide (please see attached boundary options and annual operating expense data). Funding will be identified at a later date.

**POLICY ISSUES:**

The Bellevue City Council has adopted forty-four transit-supportive policies in the City's Comprehensive Plan and seventy-two transit-supportive policies in numerous project specific interest statements. All of these policy directives highlight Council's commitment to transportation as a high priority and transit solutions as an increasingly important part of a local and regional transportation system. Reinforcing these policy directives, the recently adopted Bellevue Transit Plan (June 2, 2003) provides a strategy for the City, in cooperation with its transit partners, to create an "urban quality" transit environment for Bellevue residents. Also, the City Council has considered a Downtown Circulator bus service in the past, though the cost has been considered prohibitive. Given downtown Bellevue's growth, in terms of both residents and employees, and resulting travel impacts, the City Council has directed staff to work with King County Metro in assessing to what extent a Ride Free Area would raise the public's awareness and utilization of transit in downtown Bellevue and in doing so, boost downtown ridership and commerce.

Upcoming discussions at the Regional Transit Committee (RTC) will explore in more detail the general issues surrounding the creation of a new Ride Free Area (RFA). RTC members are scheduled to meet on September 17, 2003 to consider extending the current RFA or entering into agreements for new RFAs in additional King County communities. If the September decision is to pursue it further, the next step would be development of a set of policies concerning cost-sharing, ridership benefits, implications associated with multiple RFAs, etc. for committee consideration. The Bellevue City Council's level of interest will likely weigh heavily in the RTC's future deliberations.

**DIRECTION NEEDED FROM COUNCIL:**

- ☐ Action
- ☒ Discussion
- ☒ Information

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At this time, no Council action is sought regarding financial participation in a downtown Ride Free Area. On September 8, 2003, King County Metro staff will present the findings from their analysis of a potential RFA in downtown Bellevue and respond to questions.

#### **BACKGROUND/ANALYSIS:**

King County Metro has also indicated that additional fare revenue could be lost due to a "hide and ride" effect, described as automobile drivers parking on neighborhood streets near the free fare zone boundary to ride free into downtown. That could increase the cost range to \$77,000-\$102,000 (with the expansion to include Overlake Hospital). Bellevue staff maintain that the City's existing Residential Permit Parking Zone program covers most of the areas surrounding the downtown area and would address this "hide and ride" concern, containing the cost estimate to the \$53,000-\$70,500 range annually. [Note: Not included in these annual expenses are the start-up costs (marketing, signage, training, etc.) associated with introducing this new initiative.]

If the City Council is interested in having King County Metro implement a downtown Bellevue Ride Free Area (RFA), the City would enter into an agreement with King County that mirrors the County's agreement with the City of Seattle for its RFA. The King County and City of Seattle agreement provides: "The City shall pay the County for the operation of the RFA within the City and in accordance with the requirements specified herein." The payment amount was established within the range of estimated lost revenue less Metro's estimated operating cost savings (not applicable in Bellevue). In 2002, the City of Seattle paid Metro \$325,000 for RFA operations.

The Bellevue Transit Plan, adopted June 2, 2003, includes recommendations for more localized transit investments that are supportive of the intra-Bellevue transit network. In its June 19, 2003 transmittal letter of the Plan to County Executive Sims (please see attached), the Bellevue Council expressed its interest "in working with Metro to evaluate and consider new initiatives, such as a ride free area within downtown Bellevue." As reflected in the following two additional instances, both the City Council and the Bellevue business community have encouraged staff to work with the region's transit providers to evaluate this concept further.

- In its January 7, 2002 decision on a circulator bus system for downtown Bellevue, the City Council found the annual operating cost of \$1.5 million unjustifiable given its anticipated near-term ridership, with the cost per boarding projected to range from \$4 to \$20. Therefore, the City Council adopted the recommendation advanced by the Citizen Advisory Committee to: 1) work with transit providers to implement a circulator system in downtown Bellevue at such time that ridership would result in a cost per trip of \$2 to \$3, and 2) direct staff to work with King County Metro during the interim to implement alternative strategies such as a fare free zone, Flex Car, Van Share, and special pass and incentive programs.
- In its January 28, 2002 letter to County Executive Ron Sims on the draft Six-Year Plan, the Bellevue Chamber of Commerce and Bellevue Downtown Association stated: "Our organizations are quite interested in having the Six-Year Transit Development Plan (2002-2007) include a commitment to explore the feasibility of implementing a ride-free area in downtown Bellevue by 2003 or sooner if possible. A ride-free operation has the potential to increase transit ridership significantly in downtown Bellevue."

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In responding to this feedback, King County Metro included a commitment in the financial strategy section of its Six-Year Transit Development Plan for 2002-2007 to undertake a Ride Free Area (RFA) analysis and report back to the Regional Transit Committee (RTC) by June, 2003. The analysis, presented at the July 16, 2003 RTC meeting, assesses the viability of extending the current RFA or entering into agreements for new RFAs in additional King County

communities. The analysis considered three potential scenarios: an extension of the existing downtown Seattle RFA (i.e., SoDo and Belltown), a RFA for another Seattle urban neighborhood (i.e., Ballard and the University District), and a RFA for two suburban cities (i.e., downtown Bellevue and Federal Way).

To complete a thorough analysis of potential RFAs, Metro set the following specific geographic boundaries for the potential downtown Bellevue RFA: the west boundary of the potential Bellevue RFA would be 100<sup>th</sup> Avenue NE and would extend east to I-405. Main Street on the south and NE 12<sup>th</sup> Street on the north mark the remaining boundaries. An extension of the geographic boundary for the potential downtown Bellevue RFA east of I-405 (to include Overlake Hospital on 116<sup>th</sup> Ave NE) would increase ridership from 40,000 annual riders to 53,200 annual riders.

King County Metro's Analysis of Potential RFAs (July, 2003) concludes that a downtown Bellevue Ride Free Area, without a "hide-and-ride" supplemental expense, would cost between \$53,000 and \$70,500 (with the Overlake Hospital boundary expansion) annually. When these cost figures are compared to the anticipated annual ridership figures of 40,000 and 53,200 (with the Overlake Hospital service area expansion) the resulting cost/boarding figure of \$1.33 compares favorably relative to the cost/boarding figure of a downtown Bellevue circulator service (which was projected to be between \$4 to \$20 per boarding).

To minimize the complexity and expenses associated with fare collections, Metro's analysis assumed that all routes that connect the potential Bellevue Ride Free Area (RFA) with the existent Seattle RFA would be exempt from free service. Therefore, Metro's analysis excludes Sound Transit Route 550, the major route traveling between the downtown Seattle RFA and a potential Bellevue RFA. This analysis also assumes that Metro route 261, the only Metro route connecting downtown Bellevue and downtown Seattle, would not be included in providing ride free service in a potential Bellevue RFA. Given these route exemptions, a total of 16 routes would operate as ride free service in downtown Bellevue by the "pay on entry/inbound pay on exit/outbound" system.

Metro's report also notes that there remain a number of issues to address prior to implementation. For example, Metro states: "The example Bellevue RFA would be operationally feasible when viewed from the perspective of Metro service only. However, the addition of a Bellevue RFA would add a large number of Eastside routes to "pay-on-exit", raising significant issues regarding driver impacts and security that would need to be addressed. Further, Sound Transit provides considerable service in downtown Bellevue, and any further assessment of a RFA would need to involve discussions with Sound Transit about impacts on customers and possible revisions to their service in these areas."

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Per Council's expressed interest in evaluating the feasibility of a downtown Bellevue RFA, Councilmember Lee attended the July 16, 2003 Regional Transit Committee (RTC) meeting to request that the RTC consider the downtown Bellevue RFA for continued analysis and to entertain a policy change to allow for additional ride free areas in Metro's service area as soon as possible. Councilmember Lee noted that the Bellevue Council is sensitive to the fact that implementing a RFA in Bellevue requires additional staff-level discussions prior to implementation.

Upcoming discussions at the Regional Transit Committee (RTC) will explore in more detail the general issues surrounding the creation of a new Ride Free Area. RTC members meet on September 17, 2003 to decide whether this is something worth devoting significant future committee and staff time to developing. If the September decision is to pursue it further, the next step would be development of a set of policies for committee consideration.

**ALTERNATIVES:**

Option 1: Communicate Council's continued interest to the Regional Transit Committee in seeking an RFA in downtown Bellevue. Direct staff to report back with more specific information about potential cost sharing, benefit information and a draft agreement.

Option 2. Do not consider a downtown Bellevue Ride Free Area at this time. Direct staff to monitor the issue and return to Council for future consideration if warranted.

Option 3: Provide alternate direction to staff.

**RECOMMENDATION:**

Staff is seeking Council's direction on this issue and have no formal recommendations at this time.

**ATTACHMENT(S):**

- 1) Bellevue City Council Letter: Transmittal of Bellevue Transit Plan report to County Executive Ron Sims (June 19, 2003)
- 2) Boundary Options and Annual Ridership and Operating Cost Estimates of Potential Downtown Bellevue Ride Free Area

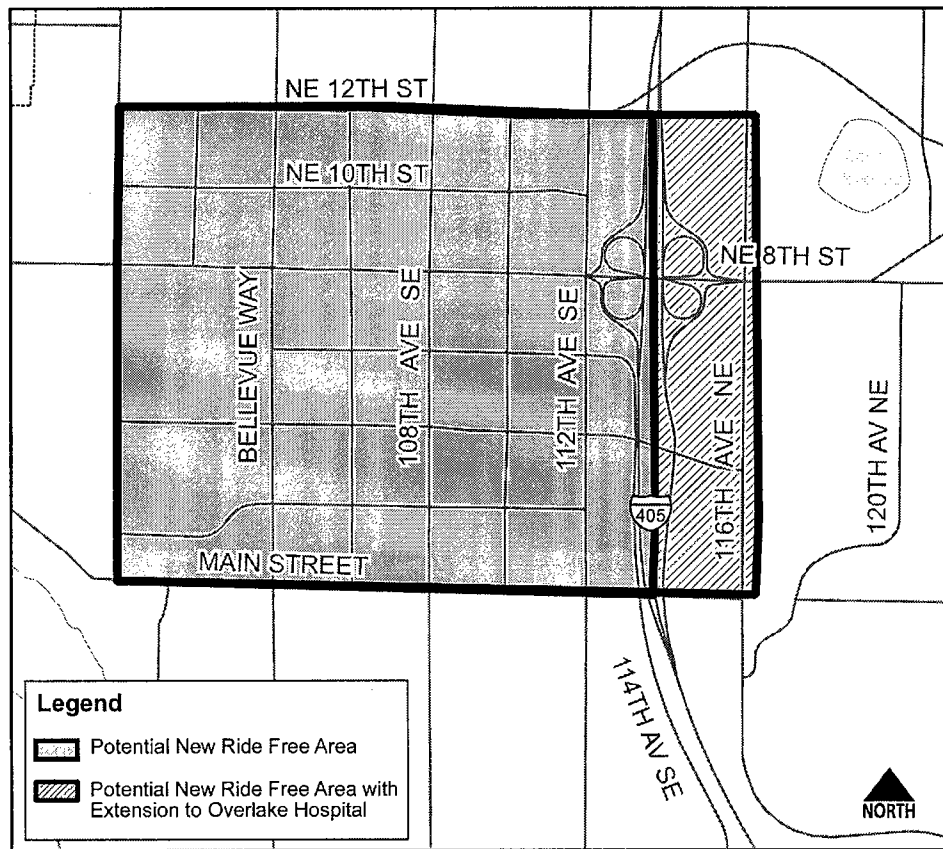
**AVAILABLE IN COUNCIL OFFICE FOR REVIEW:**

King County Metro Transit Division Report: An Analysis of Potential Ride Free Areas: Pursuant to Financial Strategy F-3 of the Six-Year Transit Development Plan for 2002-2007 (July, 2003)

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## ATTACHMENT

### Boundary Options of Potential Downtown Bellevue Ride Free Area



### Annual Ridership and Operating Cost Estimates of Potential Downtown Bellevue Ride Free Area

	Downtown Bellevue	Downtown w/ Hosp Extension
Ridership	40,000	53,200
Cost (w/o hide & ride)	\$53,000	\$70,500
Cost/Boarding (w/o hide & ride)	\$1.33	\$1.33

*Notes:*

- 1) Cost does not include "hide-and-ride" supplemental expense.
- 2) Does not include start-up expenses.

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